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FOREIGN POLICY bulletin

AN ANALYSIS OF CURRENT INTERNATIONAL EVENTS

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VOLUME XXXII NUMBER 24

India and the Korean Truce

by Vera Micheles Dean

BOMBAY—The news that the seesawing truce negotiations at Panmunjom had at last been consummated was received in India with a feeling of profound relief that a war which at times had threatened to spread to other areas of Asia was at an end, but also with the sobering realization that now India will be called on to play an active role in the post-truce settlement. As chairman of the Repatriation Commission, India is aware that it must perform a delicate feat of tightrope walking if it is to succeed in pleasing, at one and the same time, the United Nations, the United States, the U.S.S.R., Communist China and Dr. Syngman Rhee.

Preoccupation with the ultimate objectives of Dr. Rhee, and uncertainty as to the exact promises the United States has made to the president of South Korea, overshadow the departure of Indian troops for repatriation service in Korea.

While Seoul-inspired rumors of Washington's commitments to Dr. Rhee were flying around Asia, many non-Communist Indians asked whether the United States was "conniving" with Rhee to sabotage the truce. When told that such connivance would be

clearly contrary to the national interests of the United States, the next question usually was, "Why then don't you make Rhee accept the truce?"

Thus, paradoxically, some of the Indians who had once denounced Rhee as a puppet of the United States had veered to the position that to achieve peace in Korea and offer proof of its own good intentions, Washington should give Rhee the full puppet treatment.

This seemingly contradictory attitude on the part of the Indians—who advocate the independence of native rulers in North Africa, as well as in Asia, against encroachments, real or alleged, by the Western powers—is due not only to India's opposition to war but also to the prevailing view here that Rhee cannot by any stretch of the imagination be regarded as a symbol of democracy. The desire of the Koreans for unification is understood in India, which is still bearing the scars of partition. But the unification of Korea under the rule of Rhee, whom the Indians describe as an autocrat, would not be interpreted as a victory for democracy. In a forum discussion published on July 26 by a conservative Bombay newspaper, *Bharat Jyoti*, on the question

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whether it would be advisable to have a truce without the concurrence of Dr. Rhee, some pro-Rhee sympathy was expressed, but the majority of contributions carried such headings as "Rhee Is Not Above the UN," "U.S. Should Be More Firm," "UN Cannot Be Questioned," "Go On Without Rhee" and even "Disarm Rhee!"

Views on Indochina

The feeling that the United States, whether deliberately or through force of circumstances, supports in Asia leaders regarded here as nondemocratic also affects the attitude of the Indians toward Indochina and Chiang Kai-shek. It is well-nigh impossible to find an Indian, no matter how conservative about domestic affairs, who does not believe France should give independence to the Associated States of Indochina immediately.

When asked whether the withdrawal of France would not open the way for the Communist domination of Indochina and thereby create a threat for India's own security, Indians assert that national independence is the only effective way to combat communism. The Indians, consequently, find it difficult to see how the Indochina situation can be settled, either at the post-truce conference or after, unless France can be persuaded to follow Britain's example in India and voluntarily give up colonial rule in Asia.

In his New Delhi press conference of July 30 Prime Minister Jawaharlal Nehru stated that he saw no reason for including Indochina in the post-

truce conference agenda. In response to a question whether the conference should consider the Indochina problem he said: "I do not myself see the connection. It is not then too far-fetched to say you must include Morocco and Tunisia too. Maybe these countries are a few thousand miles away, but fundamentally it is the same type of national problem."

On the issue of Peiping's admission to represent China in the United Nations—which is dynamite in the United States—Indian opinion, from right to left, supports admission. Mr. Nehru expressed the prevailing view at his press conference when he said: "Till this question of China's admission to the UN is cleared up, the UN will never function properly and effectively nor will problems of the Far East be finally solved." Looking at the Chinese situation from this point of view, the Indians find it impossible to understand why the United States continues to support Chiang Kai-shek, who in their opinion is wholly discredited and unable to stage a comeback.

Criticism of China

This does not mean that Indian opinion takes a wholly uncritical view of Communist China. On the contrary, the early enthusiasm aroused by the success of an Asian nation in consolidating control over its territory and defying Western powers has been somewhat tempered by information about the ruthlessness of the Communist dictatorship and by concern that Peiping, when no longer occupied by the Korean war, might cause disturbances along India's far-

flung borders—from Tibet, in Kashmir, or in strife-torn Nepal.

A thoughtful minority believe that Prime Minister Nehru, in his endeavor to maintain friendly relations with Peiping, may have fostered dangerous illusions in this country about the disinterested character of China's policy toward India, thereby creating problems for himself in the event Peiping takes a hostile stand.

For the time being Mr. Nehru is of the opinion that both the U.S.S.R. and Communist China are trying to lessen international tensions and proceeds on this assumption. This, however, does not prevent the Nehru government from taking measures, often more drastic than in the United States, against the Communists, the only political group which in the first national elections of 1951-52 emerged as a challenge to the dominant Congress party.

(The first of two articles on current trends in India. The second will deal with India's internal affairs. Mrs. Dean is visiting India under a grant from the Ford Foundation.)

FPA Bookshelf

LATIN AMERICA

The State of Latin America: Twenty Nations Between Freedom and Fear, by Germán Arciniegas. New York, Knopf, 1952. \$4.50.

The attention of the United States has been so anxiously focused on Europe and Asia that we tend to neglect the problems of our "good neighbors." This sensitive and outspoken book by the former minister of education of Colombia, now teaching at Columbia University, fills an important need for first-hand information about the explosive forces at work in Latin America. The author distinguishes between the "visible" Latin America of military dictatorships and the "invisible" Latin America of a deep-seated urge for freedom, and deplores the armament aid the United States gives to dictators in the Western Hemisphere.

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Diplomacy on Two Fronts

Summarizing foreign affairs developments that have changed at least outwardly the character of world relationships during the brief life of the Eisenhower Administration, Speaker Joseph W. Martin, Jr., on August 11 attributed to a new "refreshing toughness, a firmness about American foreign policy" two of the outstanding events of the year—the truce in Korea and the weakening of Russian authority in the Soviet zone of Germany since the riots of June 17. Whatever caused those events, the real test for present-day American foreign policy and its makers lies ahead, in dealing with the problems and opportunities raised by those two events. Major decisions respecting the kind of diplomacy this country should pursue on two major fronts, in Korea and Germany, which can be magnified to mean Asia and Europe, are yet to be made.

Until now the United States has enjoyed nearly complete national unity on the negative goals of what it did not want in world affairs. It did not want Soviet influence to become paramount in Korea and in Germany, in Asia and in Europe. The truce and the restiveness of the German people seem to bring us at least part way to the realization of those negative goals. It is now time for the United States to turn its attention to positive goals, and the question arises, What sort of positive goals should it seek? This hard question confronts not only President Eisenhower and members of Congress but the American public, on whom President and Congress depend basically for guidance.

Formal pressure for such fundamental decision derives from two de-

velopments: the fact that the reaching of the truce is to be followed in October by negotiation for lasting peace in Korea; and diplomatic sparring between the United States, Britain and France, on the one hand, and the Soviet Union, on the other, on the possibility of a general conference on Germany.

The main problem for American diplomacy in transforming the Korean truce into Korean peace is that the question of Korea itself may have less importance than other issues in the difficult process of reaching a Far Eastern settlement. The more imposing question is China. Will the United States, now or in the foreseeable future, recognize the Communist government that controls the mainland of China? What will the United Nations do about Peiping's demands for representation in the General Assembly and the Security Council? These are outstanding issues that the Communist bloc seems certain to raise before coming to a final agreement on Korea.

Division over China

The China question seems to divide the United States and the Soviet Union completely. Congress has spoken out unanimously against the granting of recognition to Communist China. Senator Joseph R. McCarthy, Republican of Wisconsin, mustered considerable congressional support with his disclosures of the amount of trade carried on with China by ships registered in United Nations countries even when some of these UN nations were actively opposing Communist China in the Korean conflict. While the Korean truce removed some of the basic rea-

sons for opposition to this trade, unfriendliness to Communist China and to any activities strengthening Peiping's status persists. One important point at issue is the position of Generalissimo Chiang Kai-shek and the future of Formosa. Chiang has a supporter in Senator William F. Knowland, Republican of California, who has succeeded the late Senator Robert A. Taft as majority leader of the Senate.

In contrast, the Soviet Union has taken the position since the Communists won control of China in 1949 that their Peoples' Republic government should be fully accepted by the family of nations, with all the advantages that such acceptance would confer upon Peiping.

As recently as August 4 Moscow recommended the inclusion of the status of Communist China in the questions to be discussed in any great-power conference on Germany. If the status of China is involved in the fate of Germany, how much more is it involved in the fate of Korea, another Asian nation?

For President Eisenhower and Secretary Dulles the issue of China is delicate. Now that the Korean fighting has stopped and Mr. Dulles has negotiated a defense treaty with President Syngman Rhee, the Administration faces many difficult problems in reaching accord with its Western allies. If the President and his Secretary of State follow the prevailing congressional opinion, they will accept the view that to let Communist China into the family of nations will strengthen the Soviet Union and the Communist bloc. But the Korean peace question involves not only the United States but the whole United

Nations, many members of which, such as Britain, appear willing to seek friendlier relations with Peiping. If the Administration bucked the UN on the issue, would it thereby strengthen Soviet communism by widening the already visible gulf between the Western allies?

Beyond that pragmatic choice lies a deeper question. If the price of Korean peace is acceptance of Communist China, will the United States do more for the promotion of order in Asia by compromising on the issue at the risk of strengthening the influence of Communist China, or by postponing agreement on the peace at the risk of a new explosion in Korea?

Thus far in Korea the Eisenhower Administration has followed United Nations rather than congressional guidance. It was interesting that the Senators whom Secretary Dulles invited to accompany him on his trip to Korea for conversations with President Rhee early in August found themselves unable to make the trip. Preceding Administrations were able to recruit congressional representation in the course of important treaty negotiations. Whether this break with recent tradition has any significance or not, Mr. Dulles still faces the knotty task of harmonizing United Nations and congressional attitudes toward Asian diplomacy.

The German Question

The problem of German policy is equally complex, although it is not quite so pressing. The major question before the United States is how it should pursue the goal of German unification (the main goal the United States has had with respect to Germany since the end of World War II). Should Germany be treated as an isolated issue, subject to international policy decisions without reference to other outstanding disputes in Europe and elsewhere? The United

States habitually has looked on Germany as distinct; it reiterated this point of view in the note submitted jointly by Washington, London and Paris to Moscow inviting Russia to take part in a meeting of foreign ministers to discuss German unity. Russia on August 4 replied in a note making it clear that from the Soviet point of view a conference on Ger-

mans would overwhelm the Communists politically? Or if Germany unified grows strong enough to frighten Western Europe, is it possible that Western Europe would seek friendship with the Soviets as allies against Germany? Americans need to clarify their thinking on the problem of whether they want German unification at all as well as the problem of how to bring about unification if they do want it.

U. S. Citizens in World Affairs

The Foreign Policy Association has just published a new directory of American nongovernmental agencies working in the international field. Entitled *U.S. Citizens in World Affairs*, it is a basic guide to "Who they are" and "What they do" for the many organizations with active interests in this sphere.

The directory is designed to serve all world-minded citizens — program chairmen, libraries, newspapers, government officials. It is available clothbound for \$5 and paperbound, \$3, from the

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many should be a conference on the whole range of questions dividing East and West (including the status of China). Is German unity worth a concession to the Soviets' approach?

If the United States does not accept the Soviet point of view, is it possible Western Germany will identify the United States as an opponent of unity and veer toward the East? If the United States accommodates itself to the Soviet view, is it possible that all Germany would fall under political domination of the East German Communists? Or that West

The H-Bomb

Since the conclusion of the Korean truce and the most recent East-West exchange on the German issue, the true nature of the possibility of the settlement of the outstanding questions hanging over American diplomacy has been clouded by the Soviet announcement that it possesses the hydrogen bomb. Is this the statement of a nation seeking peaceful relations with its greatest neighbors? American government officials on the whole indicate they think not, resting their conclusion on the assumption that the Soviet announcement is a falsehood, made largely in order to disturb the world climate.

Less attention was given to news from the Soviet Union that Soviet industrial production will stress consumers' goods at the expense of heavy goods to a greater degree than at any time since the enunciation of the first Five-Year Plan in 1928. If the H-bomb announcement implies Soviet truculence, does the consumers' goods policy imply a retreat from Soviet militarism? Of if the Soviet Union truly possesses the H-bomb, is Russia concentrating on this super-weapon and reducing emphasis on other aspects of military power; in a way that permits increased production of consumers' goods? Those questions, too, are involved in America's search for a sound diplomacy on the two great foreign-policy fronts.

BLAIR BOLLES



Foreign Investment: A New Look at an Old Problem

by Sidney C. Sufrin

Dr. Sufrin, professor of economics and director of the Maxwell Research Center, Maxwell Graduate School, Syracuse University, was chief of the Temporary Economic Study Group in Spain in 1951-52. He is the coauthor of "The Economy of Spain," *Headline Series*, No. 95 (September 1952).

During the past year one of the economic tenets which received almost universal commendation was that United States investment abroad must be increased, special emphasis being given to investment in the underdeveloped areas of the world. And as the current year advances it seems increasingly evident that foreign investment will be accepted as one of the four supporting economic pillars of United States foreign economic policy, alongside technical assistance, mutual security aid and expanded trade. Emphasis on the underdeveloped areas also seems certain to persist. These are the areas which remain below their reasonably attainable economic potential, and where improved conditions would contribute in achieving political, social and economic stability for the free world. The Truman policy and the Eisenhower policy have already recognized the need for investment in the various underdeveloped areas, and the current Administration is making investment activities a basic part of its programs.

Foreign investment, however, represents no panacea for that part of the world's ills which stems from political instability and unrest in the less developed areas. Investment is a complex process involving many problems which must be explored with great care in order to create the best possible conditions for success. One of the first facts to point out is that the term "underdeveloped areas" does not designate a homogeneous category of countries or territories. There are vast differences, for ex-

ample, between Nigeria, Indonesia, Spain and Brazil not only in geography and resources but also with respect to such relevant phenomena as economic organization, social structure, local capital supply, managerial skills, labor force and institutional framework. The fact, moreover, that numerous underdeveloped areas are nonself-governing political entities presents problems of yet another type.

Foreign Investment and Employment

From a strictly American point of view, foreign investment is probably one of the most valuable mechanisms for maintaining an internal high degree of employment and income, and thus assurance against depression. Granting that economic prophecy is dangerous and often tends to imagine future problems which fail to materialize, nevertheless, prophecy is expected of the discipline of economics. At the risk of being wrong, let us look ahead twenty or thirty years. If we are successful in avoiding a long drawn-out war and if the fear of war does not entail a continuous, enormous public expenditure on armament, there is a great likelihood that the availability of savings for investment purposes in the United States will exceed the ability of domestic industry to take up these savings.

To provide facilities for employing our slowly growing population, and to maintain and provide sufficient investment to assure our historical increase in productivity, will probably require new investment of

something under 6 percent of our national income annually during the 1950's according to Colin Clark. Clark, moreover, estimates that the probable annual rate of savings will run about 15 percent of our net national income. Thus in the neighborhood of 9 percent of our national income will be available for investment abroad or for expenditures on certain types of public improvements.

Another aspect of the relation between investment abroad and employment at home is dramatically illustrated by recent balance-of-international-payment figures. The United States, as the greatest creditor nation in the world, should, normally, be receiving an import surplus to facilitate the servicing of obligations by foreign debtors. The reverse of this condition has been true. (Since 1947 the United States export surplus has exceeded \$2.1 billion; in 1952 it was running at an annual rate of \$338.7 million.)

The export surplus of the United States has been, and still is, an important contributor to the prosperity of the nation. This surplus has been maintained partly by private foreign investment, but, in the main, through grants and loans to foreign countries by the government of the United States. Unless offset by other factors, cutbacks in governmental foreign aid will cause shrinkages in our export surpluses and have corresponding depressing effects upon domestic employment and income. An increase of foreign investment will permit a reduction of foreign aid, while still maintaining our export surplus and

its contribution to employment in the United States.

There are more ways of killing a cat than by choking it on butter, so that it would not be proper to argue that the economic future of America rests solely on our ability annually to invest abroad some 9 percent of our national income. Public works, including subsidized activities, such as public housing, roads, schools and hospitals might provide an outlet for a large fraction of the savings which would not find employment in the free market. But, unless we are willing to move more and more in the direction of governmental intervention in the market place, or possibly adopt the paradoxical policy of lowering federal tax rates while increasing federal budgetary deficits, it does seem that private investment must be expanded, or the very availability of savings might lead to depression.

Conditions of Investment

The conditions under which American investors might be willing to risk their capital abroad are at least threefold. We can refer to them as the three "ilities." They are the expectation of *profitability* to the investor, the *convertibility* of earnings and assets into dollars, and the political *stability* of the recipient country, which implies some assurance against expropriation or particularly discriminatory legislation. These benign "ilities" do not generally exist in this imperfect world. Nor are they likely to spring full-blown into being in the foreseeable future. Consequently, some extraordinary mechanisms should be sought which will give the desired assurances to American investors who are otherwise willing to invest abroad.

It is unlikely that private (or public) investment will take place in areas which do not promise relatively sure and rapid results. Thus, areas rich in oil, strategic minerals and/or

needed foodstuffs become the more obvious areas of investment. With nationalism on the march, and with the fear of war and colonial rebellion affecting the thinking of all the world, the middle of the 20th century is unlikely to see a rebirth of the imperialism of the late 19th and early 20th centuries.

This is all to the good. Neither the investor nor the recipient country will take seriously the notion that the latter will be a mere supplier of raw materials. *Investment, therefore, must further balance economic development* for practical and, if you will, moral reasons. Nor will the economic impact of such policy be bad for the local populations of underdeveloped areas.

The objectives of program of investment should be: (1) to develop the natural resources of each area in order to increase the supplies of basic raw materials for the free world; (2) to finance public-service facilities—transport, power, communications—both to support raw-material projects and to serve the internal needs of the country; (3) to establish and expand ancillary industries, especially those which would increase exports or decrease imports and have an immediate effect on consumption; and (4) to provide necessary technical counsel and training as part of a broad technical assistance program and also separately in the form of direct business know-how. The intelligent accomplishment of the above four objectives, in conjunction with expansion of social services in the field of health and education, should lead to an important tangible increase in the standards of living and in the hope and confidence of the people of the area involved.

Private investment is mainly concerned with materials development and ancillary industries. Public service facilities will probably have to be financed largely by public credit,

either national or international, for example the Bank for International Reconstruction and Development (World Bank); while social services, mentioned in connection with the standard of living, will be the primary responsibility of the local governments, aided, however, by technical assistance from outside. Raw-materials development, provided adequate provisions are made to serve the interests of both the investors and the recipient area, should proceed without the necessity for large-scale planning and promotion.

New Investment Mechanisms

Now let us turn to the new mechanisms which might assist in inducing American capital to seek employment abroad. Private investment cannot avoid the normal credit risks and risks of the market and still be private. No one can seriously argue that the United States government or any other agency can insure industry or investor against failure or bad judgment. On the other hand, techniques must be sought to insure industry against nonmarket and extraordinary risks which are essentially political in their nature.

During the past five years close to 13 percent of the budget of the United States government has been devoted to international security and foreign relations. In dollar terms this means that more than \$5 billion a year has been expended on foreign aid of various forms. If the United States in the future were to use at least a fraction of such a sum as an insurance fund against war loss, expropriation and the blocking of foreign earnings, private industry might be more willing to risk its capital abroad and in addition pay some premium for the insurance against losses of a nonmarket type. The United States government, for its part, could protect its contingent liability by negotiating treaties assuring converti-

bility and the prohibition of expropriation with the countries receiving such private investment funds.

While this probably could not be done on a scale grand enough to mean a return of a free international capital and trade market, it would be an important step in that direction. Moreover, if it were deemed politically necessary for the United States government to exercise some control over the nature of the investments going abroad, this could be accomplished by permitting only certain classes of investment to benefit by the guarantee or by varying the rates in accordance with the risks involved.

Other possible mechanisms to induce private United States investment abroad would be: arrangement for income tax concessions to apply to both corporations and individuals; encouragement to potential investors through furnishing complete information regarding investment conditions and opportunities by both private and government agencies, including on-the-ground surveys in individual countries and territories; formation of one or more investment companies with broad management powers to provide indirect investment for individuals and institutions; and finally, a comprehensive program of public assistance by the United States government and by international organizations of which the United States is a member.

Scope of Public Aid

The subject of public assistance requires elaboration. Primary emphasis must be placed on increasing private investment, but we must face the situation that such investment alone will not be adequate for all the development needs of the underdeveloped areas.

Grant aid, however, must be kept to the lowest practicable minimum, limited to technical assistance and

mutual security purposes. Loan funds should be made available for the expansion of public services such as transportation, port facilities, power and communications, since, as stated above, this sector will probably be largely dependent on public financing. Credit terms should take into account the needs and conditions of the various areas and not be so onerous that they interfere with the over-all development of the specific country.

The question of repayment is especially pertinent here, and there is room for much financial imagination regarding such matters as amortization schedules, acceptance of local currencies and delivery of basic materials. We must also re-examine the institutional set-up for making loans, and unless the Export-Import Bank alters its present rather rigid policies, we should consider the formation of a new United States financing agency. The World Bank may be relied on to carry a large share of the financial burden, and the proposal to establish an International Finance Corporation as an affiliate of the Bank should be carefully scrutinized. The Nelson Rockefeller report, *Partners in Progress*, advocated that new agencies be connected with the World Bank rather than operated as completely United States institutions.

So far in this analysis major attention has been paid to what United States investing interests should do to increase foreign investment in the underdeveloped areas. The investment process, however, is a two-way street, and the question rightly can be asked, Shouldn't the recipient countries do anything?

Certainly, they should and must, if they are to receive funds from the United States and other capital-forming sources. Although the exact measures and the emphasis on each will vary, all underdeveloped countries should make maximum use of

local resources. The local investment potential of many underdeveloped countries is often large as compared to realized investments of local funds. The wealth of the Indies and the castles of Spain are more than figments of the imagination. Every effort should be made to mobilize this wealth, putting it to productive use as contrasted with purchase of land at inflated prices, buying of luxury goods or flight to the supposedly safe havens in other parts of the world.

Capital markets and financial institutions should be established. In most cases this will mean the organization of a development bank with branches as necessary, and affiliated frequently with a regional bank. In most of the underdeveloped countries traditions and long-established habits of thought and action must be changed to conform to the realities of our age.

Underdeveloped countries, moreover, must sincerely want foreign capital from private sources and must be prepared to create a favorable "climate" for this capital. Some of the aspects of this problem have been indicated in the discussion of the "ilities," others include: favorable taxation of both the corporate enterprise and any individuals who work abroad in connection with it; laws and the administration thereof which permit adequate freedom to the management for purposes of effective operation; and above all an understanding that the capitalistic process depends on profit for its tremendous power of economic expansion. Where the underdeveloped areas are nonself-governing territories these matters and others must become the responsibility of the respective colonial offices as well as of the local administration.

The flow of investments abroad, no matter how induced, as was indicated above, should in fact be devoted to raising immediately the general standard of living of the host

country and also to strengthening the international trade and finance position of that country. The programmed increase in world trade clearly reduces the underdeveloped country's reliance on United States funds. But as a country *needs* United States funds to a smaller degree; the "ilities" condition tend more and more to be realized, so that United States investors become willing to invest without such great regard to extraordinary guarantees. The sad truth of economics is that those whose needs are least can obtain funds most easily. The recommendations offered here should not be viewed as definitive policy formulations. Rather they are attempts to develop a pragmatic solution to what are obvious economic and political needs for underdeveloped areas, and a fairly certain requirement for the stability and growth of the American economy, namely the growth of investment.

READING SUGGESTIONS: Colin Clark, "The World Will Save Money in the 1950's," *Fortune* (July 1950), pp. 90-91; International Development Advisory Board (Nelson A. Rockefeller, chairman), *Partners in Progress* (Washington, United States Government Printing Office, March 1951); *Monthly Reports of the Mutual Security Agency to the Public Advisory Board*, especially the issue of August 31, 1952; and Sir Arthur Salter, "Foreign Investment," *Essays in International Finance*, No. 12 (Princeton, N.J., Princeton University, February 1951).



FPA Bookshelf

THE UNITED STATES, THE U.S.S.R. AND EUROPE

In *The Future of the West* (New York, Harper, 1953, \$2.75), J. G. Beuss, minister of the Netherlands in Washington, takes an optimistic view of the destiny of Western civilization. In his opinion both Europe and America possess the creative force to conquer the present crisis and lead the West to new peaks of achievement.

Edward W. Barrett, former Assistant Secretary of State in charge of information, presents a valuable and timely picture of United States propaganda to date in *Truth Is Our Weapon* (New York, Funk & Wagnall, 1953, \$4.00). He thinks in terms of waging the peace, rather than of psychological warfare, and believes the United States can effectively mobilize good will throughout the world if it behaves and speaks "out of a decent respect to the opinions of mankind."

Martin Ebon sketches a quick portrait of one of Russia's new rulers in *Malenkov: Stalin's Successor* (New York, McGraw-Hill, 1953, \$3.75). *Russia: What Next?*, by Isaac Deutscher (New York, Oxford University Press, 1953, \$3.00), a former member of the Polish Communist party now living and writing in Britain and author of *Stalin: A Political Biography*, was also written rapidly to meet the demands for new interpretations following the death of Stalin. Mr. Deutscher is a thoughtful student of Soviet affairs, with an unusual degree of understanding for the Russian point of view. His book has been critically received by leading American experts on Russia, but some of its principal conclusions, notably with respect to foreign policy, have already been substantiated since the publication of the book.

Stanton Griffis, businessman turned diplomat, relates with gusto his experiences

in Poland and Spain, Argentina and Egypt, in *Lying in State* (New York, Doubleday, 1952, \$3.75).

Some leading scholars, under the editorship of Taylor Cole of Duke University, have put together an interpretive survey of the leading countries of Europe. Entitled *European Political Systems* (New York, Knopf, 1953, \$6.00), it describes both the political structures and the ideological backgrounds of the Soviet Union and its satellites, Germany, Italy, France and Britain and the Commonwealth. Another authoritative study of France is *French Politics: The Fifty Years of the Fourth Republic*, by Dorothy Pickles (London, Royal Institute of International Affairs, 1953, \$5.00).

Further light on the diplomacy of the inter-war years is shed in *Ciano's Hidden Diary: 1937-1938* (translated by Andreas Mayor, New York, Dutton, 1953, \$4.00), a portion of the Italian foreign minister's story not previously published. It gives details of the war in Spain and the approaching Austrian *anschluss* and Munich crisis.

THE MIDDLE EAST

In *World Without End: The Middle East* (New York, John Day, 1953, \$5.00), Professor Emil Lengyel of New York University conducts an interesting exploration of a diverse and crucial area. He surveys the people and politics of the region stretching from Turkey to Iran and from the Black Sea to the Sudan, focusing attention on the important issues that concern this part of the world.

Another volume of personal experience is *My Europe* by Bruce Lockhart (London, Putnam, 1952, \$3.50). The author of *Memoirs of a British Agent* again writes engagingly of the Continent on which he has spent many observant years.

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